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Congress of the United States

House of Representatives

COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

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April 8, 1998

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The Honorable Sam Winters
Chairman
Board of Governors
United States Postal Service
475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1000

Dear Chairman Winters:

I am aware of a recent decision by the U.S. Postal Service (USPS) Board of Governors rejecting a request by the Postal Rate Commission for updated cost and revenue data for Fiscal Year (FY) 1997. I am deeply concerned that a final decision to raise postal rates may be made without taking into account possible lower mail processing costs and current revenue projections. The deferral of any action in rate case R97-1 until a final profit/loss statement for FY 1997 is available would help maintain public confidence in the system for setting postal rates.

I have reviewed your recent letter to the Chairman of the Postal Rate Commission, Edward Gleiman, rejecting the request for an additional three months in which to receive reliable, up-to-date information. This position seems to run counter to the intent of Congress when it enacted the Postal Reorganization Act of 1970. Under the Act it is the responsibility of the Postal Rate Commission to make decisions on postal rates that accurately reflect the costs caused by each of the classes of mail and sensibly apportion the institutional costs among mailers. It cannot do this without reliable, accurate information. I believe the Board of Governors has a responsibility to the postal ratepayers of America to do everything in its power to ensure that mailers pay appropriate rates. Forcing the Postal Rate Commission to make a rate recommendation based on incomplete numbers and projections rather than actual costs, volumes and revenues is short-sighted, and has not been justified by either sound policy or legal arguments.

As you know, House Rule X, Establishment and Jurisdiction of Standing Committees, grants the Government Reform and Oversight Committee jurisdiction over the Postal Service generally, including the transportation of the mails. **I am requesting that the Board of Governors provide me with a further explanation of the rationale behind the decision not to allow the Postal Rate Commission adequate time necessary to receive complete, accurate, and up-to-date financial data from the Postal Service.**

I appreciate your consideration and look forward to your prompt response.

Sincerely,


Dan Burton
Chairman